

IN THE COURT OF THE TRANSPORT TRIBUNAL

IN THE MATTER OF THE APPLICATION (1955 No. 5) MADE BY  
THE BRITISH TRANSPORT COMMISSION IN PURSUANCE  
OF SECTION 23 (5) OF THE TRANSPORT ACT, 1953

FOR THE ALTERATION OF THE  
BRITISH TRANSPORT COMMISSION  
(PASSENGER) CHARGES  
SCHEME, 1954

TUESDAY, 14TH JUNE, 1955

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SECOND DAY

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# PROCEEDINGS OF THE TRANSPORT TRIBUNAL

TUESDAY, 14th JUNE, 1955

PRESENT :

HUBERT HULL, Esq., C.B.E. (*President*)

A. E. SEWELL, Esq.

J. C. POOLE, Esq., C.B.E., M.C.

Mr. HAROLD I. WILLIS, Q.C., and Mr. E. S. FAY (instructed by Mr. M. H. B. Gilmour, Chief Legal Adviser to the British Transport Commission) appeared on behalf of the British Transport Commission.

Mr. GEOFFREY LAWRENCE, Q.C., Mr. LEON MACLAREN and Mr. GEORGE MERCER (instructed by Mr. J. G. Barr, Solicitor to the London County Council) appeared on behalf of the London County Council.

Mr. GEOFFREY LAWRENCE, Q.C., Mr. LEON MACLAREN and Mr. GEORGE MERCER (instructed by Mr. J. G. Barr) appeared on behalf of the Middlesex County Council.

Mr. GEOFFREY LAWRENCE, Q.C., Mr. LEON MACLAREN and Mr. GEORGE MERCER (instructed by Mr. J. G. Barr) appeared on behalf of the Essex County Council.

Mr. GEOFFREY LAWRENCE, Q.C., Mr. LEON MACLAREN and Mr. GEORGE MERCER (instructed by Mr. J. G. Barr) appeared on behalf of the Surrey County Council.

Mr. DUDLEY COLLARD and Mr. A. K. TWADDLE (instructed by Mr. E. R. Farr, Town Clerk) appeared on behalf of the Barking Borough Council.

Mr. DUDLEY COLLARD and Mr. A. K. TWADDLE (instructed by Mr. E. R. Farr) appeared on behalf of the South Essex Traffic Advisory Committee.

Mr. GEOFFREY RIPPON, M.P., and Mr. ALISTAIR DAWSON (instructed by Mr. A. McCarlie Findlay, Town Clerk) appeared on behalf of the Wanstead and Woodford Borough Council.

Mr. GEOFFREY RIPPON, M.P., and Mr. ALISTAIR DAWSON (instructed by Mr. D. J. Osborne, Town Clerk) appeared on behalf of Leyton Borough Council.

Mr. GEOFFREY RIPPON, M.P., and Mr. ALISTAIR DAWSON (instructed by Mr. G. A. Blakeley, Town Clerk) appeared on behalf of the Walthamstow Borough Council.

Mr. GEOFFREY RIPPON, M.P., and Mr. ALISTAIR DAWSON (instructed by Mr. J. W. Faulkner, Clerk to the Council) appeared on behalf of the Chigwell Urban District Council.

Mr. GEOFFREY RIPPON, M.P., and Mr. ALISTAIR DAWSON (instructed by Mr. R. H. Buckley, Town Clerk) appeared on behalf of the East Ham County Borough Council.

Mr. GEOFFREY RIPPON, M.P., and Mr. ALISTAIR DAWSON (instructed by Mr. G. E. Smith, Town Clerk) appeared on behalf of the West Ham County Borough Council.

Mr. GEORGE MERCER (instructed by Messrs. Carpenter Wilson and Smith) appeared on behalf of the London Passengers' Association.

Mr. ARCHIBALD GLEN, Town Clerk, appeared on behalf of the Southend-on-Sea County Borough Council.

Mr. F. A. RULER, represented the Federation of Residents' Associations in the County of Kent.

Mr. H. J. A. KNOTT, represented the Barons Court Liberal Association.

(*Mr. Knott*): I gather, Sir, that most of my learned friends wish to defer cross-examination until they have examined the transcript of the evidence given by the Commission. Would it be convenient, Sir, for this Tribunal if I were to cross-examine to-day and then make my submission?

(*President*): Of course, two witnesses have come and gone. Do you want to cross-examine the other witnesses?

(*Mr. Knott*): I would like to cross-examine the other witnesses when they have finished.

(*President*): Very well.

(*Mr. Knott*): Thank you, Sir.

(*Mr. Harold Willis*): In that case, I think I should at this stage make a formal objection to this. Mr. Knott is really, on his Objections, appearing in a personal capacity, although it appears he has come in the interests of the Barons Court Liberal Association; but it is plain he has no right to be here as an Objector, and subject, of course, to anything the Tribunal may feel right and proper in the circumstances, the Commission would desire to object to the extension of the right of cross-examination being given in this case, because there appear to be no special circumstances justifying his being granted a privilege which the Act has not, in fact, conceded to him.

(*President*): We are bound, Mr. Knott if an objection is taken, to hold that, strictly speaking, you have not got what lawyers call a *locus standi* here at all.

(*Mr. Knott*): Is the objection being made to my *locus standi* on the grounds that a political association is not allowed to object?

(*President*): Yes. We have already held that.

(*Mr. Knott*): Would it be in order for me to submit that this Tribunal may reverse its previous ruling?

(*President*): You can argue that when the time comes, but I shall not listen now. We are engaged in other

matters, and we cannot argue it at the moment. If you are going to take the point you are a true Objector, we will hear you when the proper time comes, which will be after the proper Objectors have been heard. If you like to say you want to make a speech and get away, then we can hear that, as a matter of being obliging to you, as soon as possible.

(*Mr. Knott*): When will that be, Sir?

(*President*): That is very difficult to tell, but if this witness were to be finished with to-day (as I think he will be), then we will hear any speech from you immediately after.

(*Mr. Knott*): Thank you, Sir.

(*President*): Mr. Willis, as I said yesterday, we cannot have this Hall on Tuesday or Wednesday morning. There is something to be said for the view, obviously, that as we are going to start the effective part of this Inquiry from the point of view of Objectors on Monday, it would be a good thing if we could go straight on. I do not know whether there is any possibility of arranging some other place.

(*Mr. Harold Willis*): I have taken the opportunity, Sir, having spoken to Mr. Wilson, to speak to my learned friend, and he is in touch with his clients, the London County Council. It may well be, I think, that they could put a room of suitable size at our disposal. I think that is being done now and it may be before we adjourn to-day that the answer may be forthcoming. Plainly the numbers interested in this Inquiry this year are not such as to require a room of very large proportions. A Committee Room, I would have thought, of adequate size, would probably be sufficient.

(*President*): It does not affect the Tribunal ultimately, but we should have a distaste for having to pay for two

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rooms at the same time. We should have to be paying for this on the half of Tuesday, anyhow.

(Mr. Harold Willis): Perhaps the London County would have that point in mind.

(President): I think everybody would agree it would be desirable, when we begin on Monday, that we should go straight on.

Mr. DAVID McKENNA, recalled.

Examination by Mr. FAY continued.

317. At the adjournment you had just finished the first part of your evidence, that dealing with your estimate of the receipts for "B" year. May we now come to the second part, namely, the nature of the proposed alterations?—Yes.

318. What would you say, Mr. McKenna, is the general basis of the alterations which, although I call them "proposed", are already in effect temporarily?—The proposals do not involve any alteration in the general pattern or the principles underlying the passenger charges in the London Area. In particular, the principle of the greatest practicable assimilation of the scales of charges on all the different forms of transport, whether operated by London Transport or by British Railways, is preserved.

319. The object of the new or increased charges is to obtain a certain quantum of receipts, is it not?—Yes. The purpose is to gain additional revenue: in the case of London Transport an additional sum of £2.6m., and in the case of the British Railways London Lines, £0.9m.

320. In the latter case, British Railways London Lines, bearing in mind the already existing provision under which the ordinary fares have been raised without the necessity of an application?—Yes. They were raised on the same date, 5th June, and those increases were estimated to yield an additional £0.3m. So that the total additional revenue from the new fares in the London Area is £3.8m.

321. That being the sum of the £2.6m. within this Application for London Transport, the £0.9m. within this Application for British Railways London Lines, and the £0.3m. which is outside this Application?—Yes.

322. In making up that total, how have you proceeded in general?—We have sought a contribution from the three main categories of charge, namely, the ordinary fares, the early morning fares, and the season tickets.

323. And is that considered a fair and just way of spreading the load?—We think so, yes.

324. Now may I come to the ordinary fares, and would you be good enough to turn to BTC 23. That is a table which, as its heading indicates, compares the old and new ordinaries for London Transport road and rail services and also the London Lines of British Railways?—Yes.

325. Bearing in mind that the Tilbury Line comes in the former category?—In the former category, yes.

326. Dealing first with the London Transport rail and road services, they are dealt with are they not, in Columns 2 and 5?—Yes.

327. And you give in Column 2 the old scale, in Column 3 the new scale, and in Column 4 the increase?—Yes.

328. And in Column 5 the rate per mile of the new scale?—Yes, that is so. It shows that the fares for the first 3 miles, the 2d., 4d., and 6d. fares, are unchanged; they are already at the rate of 2d. per mile. For distances of 4 miles and over there is an increase of 1d. throughout.

329. Then looking at Column 5, the rate per mile, what does that show?—The rate of 2d. per mile, which applied under the old fares for the first three miles, is extended up to 6 miles, and thereafter the rate per mile drops progressively to a small degree.

330. Down to, I see, just above 1½d. a mile if one goes 50 miles?—Yes.

331. Turning to the second half of the Exhibit, Columns 6 to 9, what is the purpose of including them in this Table?—That is only really for the purposes of comparison, because the ordinary fares on the London Lines of British Railways other than the London, Tilbury and Southend lines are governed, even with the new fares, by the powers under the Passenger Charges Scheme for

(Mr. Harold Willis): I did speak to my learned friend and it did seem to both of us it would be desirable, of course, if it could be achieved.

(President): If it can be achieved we should like it to be achieved today, because if there is time away from this Inquiry on Tuesday and Wednesday we should like to hear appeals of another sort.

1954. But it does show that for distances up to 6 miles the new scale in Column 7 is the same as the new scale under the Application for London Transport fares shown in Column 3. Thereafter, for the higher mileages, the new scale of ordinary fares on London Lines other than London, Tilbury and Southend, the ordinary fares are a little bit higher.

332. The ordinary fares have gone up, have they not, to 1.88d. per mile?—They have gone up by 7½ per cent. from the 1.75d. per mile basis to 1.88d. per mile.

333. (President): Anyhow, your Application does not deal with these fares?—No, Sir.

334. They remain under the old scheme, and, although no doubt we can alter them, you are not suggesting an alteration?—No, Sir.

335. (Mr. Fay): But you draw attention to the fact that the fares are the same as those of London Transport for the first 6 miles?—Yes.

336. There is no exhibit, is there, for day return fares?—No, day return fares are on the same basis as previously. They are twice the ordinary single fares of London Transport for the corresponding distances. So that the day return fares, in so far as they are comparable, are exactly twice Column 3 of this Table.

337. When one looks at the ordinary fares of British Railways on that Table, one sees that a day return will not be affected at the lower range of the scale?—No. Up to 6 miles, where the ordinary single fare on British Railways London Lines is the same as the London Transport scale, the ordinary return will apply, and it is only for distances of 7 miles and upwards, where the British Railways ordinary fare is higher than the London Transport ordinary fare, that the day return fare in the London area will operate.

338. Now would you turn over to the next Exhibit, BTC 24. That shows, does it not, a comparison of the old and new fares as regards Green Line coaches?—Yes.

339. That shows both the single fares and the weekly ticket rates?—Yes.

340. The weekly ticket rates are not governed by a maximum which conditions them to the levels in that Table; is that right?—No, the weekly tickets are a discretionary rate; they represent a facility which has been introduced by London Transport on the basis of 9 times the ordinary single fare for 12 journeys.

341. They are shown here, are they not, because you intend to increase them?—We intend to increase them by the same amount that the ordinary fares are being increased; that is to say, the ordinary fares are being increased by 1d. and the weekly ticket rates will be increased by 9 times the 1d., that is to say, by 9d.

342. Looking at the ordinary fares, the singles which are governed by the Scheme and by this Application, what do you say about the difference between the old and new fares?—The single fares on the Green Line coaches are at exactly the same rate as the single fares on the other London Transport services, with the exception of the minimum fare, which applies up to 6 miles. The old minimum fare was 1½d., and that, under the new fare, is increased to 1s. 0d. If you compare Column 3 of Exhibit 24 with Column 3 of Exhibit 23, you will see that for 6 miles and onwards the new fares are exactly the same; but below 6 miles the minimum fare of 1s. 0d. applies throughout.

343. The minimum has been increased by the same amount?—It has been increased by 1d.

344. So much for the Green Line fares. Would you turn over to the next Exhibit, BTC 25, which deals with early morning fares. This is in a similar form showing the



Alteration of  
The British Transport Commission (Passenger) Charges Scheme, 1954

*Report of proceedings at the public inquiry into the application (1955 No. 5) made by  
the British Transport Commission for the alteration of the Scheme.*

**CORRIGENDA**

- Proceedings Third Day  
Monday, 20th June, 1955  
Page 43 Question 839 Line 5  
For "£5,400m." read "£5.4m."
- Proceedings Fourth Day  
Tuesday, 21st June, 1955  
Page 53 Question 906 Line 1  
Insert "1" before "suppose."  
Page 67 Question 1268 Line 6  
For "£0.3m." read "£3.0m."
- Proceedings Fifth Day  
Wednesday, 22nd June, 1955  
Page 83 Question 1601 1st Col. Line 2  
Delete "season"  
Page 93 1st Col. Para. 2. Line 1  
For "it" read "is"  
Page 94 1st Col. Line 1  
For "Profits" read "Budgets"
- Proceedings Sixth Day  
Thursday, 23rd June, 1955  
Page 99 2nd Col. 1st Para. Line 2  
For "met before" read "allowed for"  
2nd Col. 4th Para. Line 1  
For "adduced" read "produced"  
2nd Col. 7th Para. Lines 3 and 4  
For "LCC 410A, 410B, 410C and 410D" read "LCC  
410, 410A, 410B and 410C"  
Page 100 Question 1761 Line 14  
For "D" read "(d)"  
Line 15  
For "A", "B" and "C" read "(a)", "(b)" and "(c)"  
Line 16  
For "D" read "(d)" and  
For "£66.2m." read "66.2 per cent."  
Line 17  
For "£66.18m." read "66.18 per cent."  
For "£66.23m." read "66.23 per cent."  
Line 25  
For "£66.2m." read "66.2 per cent."  
For "£66.18m." read "66.18 per cent."  
Line 26  
For "£66.23m." read "66.23 per cent."  
Line 34  
For "£66.2m." read "66.2 per cent."  
Question 1762 Line 5  
For "£66.18m." read "66.18"  
For "£66.23m." read "66.23"  
Question 1763 Line 1  
For "£66.230m." read "66.203"  
Question 1765 Last line  
For "C" read "(c)"  
Question 1770 Line 17  
For "£66.1m." read "66.1 per cent."  
Line 18  
For "£66.2m." read "66.2 per cent."  
For "£66.15m." read "66.15 per cent."  
Line 19  
For "£66.2m." read "66.2 per cent."  
Line 20  
For "£66.12m." read "66.12 per cent."  
Line 21  
For "£66.326m." read "66.326 per cent."
- Page 101 Question 1774 Line 5  
For "2" read "(2)"  
Line 6  
For "3" read "(3)"  
Line 7  
For "2" read "(2)" and for "3" read "(3)"  
Question 1793 Line 12  
For "£66.15m. or £66.2m.-£66.2m. plus" read  
"66.15 or 66.2 per cent.-66.2 per cent. plus"  
Question 1795 Line 5  
For "angle" read "level"  
Question 1795 2nd Col. Line 5  
For "£66.15m. or £66.2m." read "66.15 or  
66.2 per cent."  
Line 6  
For "£44,461m." read "£48,461"  
For "£66.2m." read "66.2 per cent."  
Line 7  
For "£72.3m." read "£73.2m."  
Page 102 1st Col. Para. 6 Line 5  
Delete "£5.5m."  
Page 105 1st Col. Para. 7 Line 1  
For "You" read "They"  
Page 106 1st Col. Para. 5 Line 7  
For "application" read "publication"  
Page 107 1st Col. Para. 2 Line 7  
For "provisions" read "provision"  
1st Col. Para. 10 Line 6  
For "break" read "brake"  
Lines 7 and 8  
For "Commission" read "Tribunal"  
1st Col. Para. 13 Line 4  
For "had not been" read "had been"  
Line 7  
After "Scheme" insert "—"  
Line 8  
After "can" insert "—"  
Line 11  
For "We have" read "We had"  
1st Col. Para. 15 Line 4  
For "revenue" read "operation"  
Page 108 1st Col. Last para. Line 1  
For "and it is" read "which however is"  
Line 3  
Delete "if I could get my colleagues to agree"  
Line 4  
For "these are merely" read "the charges should  
be real"  
2nd Col. 3rd Para. Line 1  
For "maximums" read "maxima"  
Line 5  
For "the scheme" read "this scheme"  
2nd Col. 9th Para. Line 12  
For "order" read "other"  
Page 109 1st Col. Para. 5. Line 2  
For "Section 21" read "Section 23 (1)"  
Page 111 1st Col. Para. 5 Line 6  
For "Section 21, sub-section (3)" read "Section 23,  
sub-section (1)"  
1st Col. Para. 10 Line 7  
Delete "that"  
Page 113 2nd Col. Para. 1 Line 1  
For "sence" read "sense"
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August, 1955

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1955



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Mr. DAVID McKENNA

[Continued]

old and the new in the different categories with which we are familiar, at these Inquiries?—Yes.

345. What do you say, first of all, about the early morning single fares on buses?—The early morning single fares on buses have been increased by 1d.

346. That is the difference between columns 3 and 8?—Yes. The early morning singles at the old fares are shown in column 3 and the new fares are shown in column 8. For the first 2 miles the fare applicable in the early morning is the same as ordinary; that is to say 2d. one mile, 4d., two miles. Thereafter under the old fares there is an early morning single of 4d. from 3 to 6 miles and a fare of 5d. from 7 to 10 miles. Those fares from 3 miles and upwards have been increased by 1d.; so that the new fares as shown in column 8 are 5d. from 3 to 6 miles, and 6d. from 7 to 10 miles.

347. Up to 10 miles the sum of the early morning fare and the ordinary fare for the return journey is equivalent to that charged on the railways?—It is equivalent to the early morning return fare on the railways.

348. Would you now deal with the position on the railways. Which columns are those shown by?—The railways early morning return fares which are common fares for the London Transport railways and the British Railways London Lines are shown in column 2, the old fares, and in column 7 the new fares.

349. What do you say about those?—The fare for 3 miles, the old 10d. fare, is increased by 1d. to 11d. That corresponds to the increase of 1d. in the early morning single fares on the road services at 3 miles, and there is no increase in the ordinary fare at 3 miles. So the return fare is only increased by 1d. From 4 miles to 10 miles the assimilation is preserved between the road and rail and the increase in the rail early morning return fare for those distances is 2d. Thereafter there is an increase of 2d. at 11 miles in the early morning return fare and for 12 miles and upwards the increase is 3d.

350. Those increases are shown in column 12, are they?—They are shown in column 12, yes.

351. (Mr. Poole): You really have to add together 3 and 4 to get the same figure of 2, is that right?—That is right, yes; up to 10 miles.

352. (Mr. Fay): But not beyond 10 miles?—Not beyond.

353. One sees that above 11 miles the increase, so far as the rail is concerned, is 3d.?—Yes.

354. What do you say about the policy underlying the increases in early morning fares?—It has been the Commission's consistent policy in respect of early morning fares, which they have stated through their witnesses on a number of occasions previously, to move gradually towards the elimination of the concessionary early morning fares. They are at an uneconomic level and in the Commission's view there can be no permanent justification for their retention. There would certainly be no justification at the present time for increasing the concession given by the early morning fare in relation to the ordinary fare, and under the present proposals the concession for the most part where the bulk of the traffic is, has been maintained, but not widened. That is to say, between 4 and 11 miles the concession, compared with the ordinary fare, is the same. At 3 miles the concession has been eaten into by a small amount, 1d.; and above 11 miles, from 12 miles onwards, the concession has been eaten into again by 1d. But the general level of the early morning fares at the new rates is still very low, particularly at the long distances.

355. Can one see that by looking at the figures in column 13?—Column 13 shows the rate per mile of the new fares. It will be seen that at 18 miles the rate is only 1d. per mile and it drops thereafter, so that at 60 miles—although there are very few journeys at 60 miles—the rate drops as low as ¼d. a mile.

356. Passing from those fares, is the next category that of season ticket rates as shown in BTC 26?—Yes.

357. These are common scales, are they not?—They are common scales for London Transport Railways and British Region London Lines.

358. And there is no departure from that complete assimilation?—No.

359. As we have heard on previous occasions, the scales are based on the monthly rate, are they not?—Yes.

360. Would you deal with the monthly rates, old and new, as shown on this table?—Yes. The old monthly rate is shown in Column 2 and the new in Column 5. The rates for 1 and 2 miles are unchanged; the rate for 3 miles is increased by 1s. 3d. and the rates for 4 and higher miles are increased by 2s. 6d.

361. As is shown in Column 8?—Column 8 shows the increase, yes.

362. And are the other two classes of season ticket rates, the three-monthly and the weekly, derived from the monthly figures?—They are derived from the monthly figures, yes.

363. With the differences shown in Columns 9 and 10?—Yes; the old in Column 3, the new in Column 6 and the difference in Column 9, in respect of three-monthly tickets; and the old in Column 4, the new in Column 7 and the difference in Column 10 in respect of weekly tickets.

364. Generally, as to the season ticket increases, have they any effect upon the relationship between the ordinary fares and the season ticket rates?—Broadly speaking, the resultant new season ticket rates are slightly more favourable in relation to an assumed number of journeys at ordinary fares than the old rates.

365. "More favourable"? You mean more favourable to the traveller, rather than to the Commission?—To the traveller, yes. There is one exception to that, at 3 miles, where there is no change in ordinary fares and the monthly rate is increased to 1s. 2d.; but the reason for that is to obtain a reasonable-looking scale that moves by fairly even progression. But at the higher mileages, 2s. 6d. a month is more favourable to the consumer than 2d. a day.

366. Those are the main categories of charge and the proposals you make. Before we deal with yields, I would like to ask you about the question of cheap fares. Have there been some experiments with cheap fares since the last Inquiry?—There have been, yes. Consideration has always been given to the possibility of increasing the Commission's net revenue by the introduction of cheap fares, and some experiments have been made. In particular, there has been an experiment in cheap evening fares on London Transport railways and on certain of the British Railways London Lines which was actually introduced first before the last Inquiry; but it has now been running for over a year, and the conclusion reached from this particular practical experiment was that the gain in revenue is very small indeed. It certainly is not of anything like the order of magnitude to make any impression at all upon the financial gap which is the cause of our coming here now.

367. That is not, I think, the only cheap fare experiment which has been tried?—No, it is not. On British Railways, London Lines an experiment has been tried on the Southern Region for some cheap mid-day shopping tickets into London from certain suburban stations. But again, although there has been some additional revenue as a result, the magnitude has been exceedingly small, and the Commission feel that no general system of cheap fares on a large scale could possibly do anything other than reduce their revenue. The opportunity for gaining additional revenue from cheap fares is exceedingly limited, both in scope and in magnitude.

368. (Mr. Sewell): You do not find a progressive increase in revenue from cheap fares?—We have not, I am afraid. On the cheap evenings they have attained a certain level and they have run along at the level showing very little variation up or down.

369. (Mr. Fay): What is the Commission's policy as regards the introduction of other experiments or trying such opportunities of making experiments as present themselves?—The Commission are always on the lookout for suitable fields where the introduction of cheap facilities will improve their revenue, even to a small extent; but, as I said, they feel that there is no possible opportunity of doing it on such a scale that it will make an important contribution towards their revenue needs.

370. Just a word about the sub-standard fares. Are they still in existence?—There are still a number of fares in existence which have come to be known as "sub-standard", that is to say, fares which are below the normal scales in operation in relation to the distance covered by the fares; but no additional increases are contemplated for the time being upon the sub-standard

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Mr. DAVID McKENNA

[Continued]

fares. The sub-standard fares and, if we can call them so, the "standard" fares were increased on the 5th June in exactly the same way. In fact, all fares were increased as though they were standard.

(President): In any event, what can we do about sub-standard fares, Mr. Willis?

(Mr. Harold Willis): "Nothing" is the answer, Sir. It is merely to give the Objectors the views of the Commission about them.

(Mr. Fay): The question was directed to eliciting the fact, Sir.

(President): I have no doubt; but, if facts are such that no importance can be attached to them, they are better not elicited.

371. (Mr. Fay): Passing at once from that subject, we come to the last branch of your evidence, that of the estimated yields to be derived from the fares which, in fact, came into operation on the 5th June. Would you turn to exhibit BTC 27. That is in a familiar form at these Inquiries and, in the way with which we are familiar, it has the appendices expanding the various yields set out?—Yes. This is in the usual form.

372. What would you like to say about the exhibit itself before we come to the appendices?—The table shows, in the even numbered columns, the breakdown by the various categories of charge of the total revenue of British Railways, London Lines in column 2, and of London Transport, the total in column 12 and in columns 4, 6, 8 and 10 the breakdown by the various forms of transport in the London Transport system. Then in the odd numbered columns, 3, 5, 7, 9, 11, 13 and 15, are shown the discounted yield. At the bottom right-hand corner of column 15 is £3,831,958, made up of £2.6m. from London Transport in column 13 and £1.2m. from London Lines in column 3.

373. Of course, the £1.2m. which you have just referred to includes an element which is not before this Tribunal?—It does, yes. That includes an element of the actual figure, £275,000, which is included in the £463,000 under item 1 in column 3, but it is separated out in Appendix "A". That is the element from the increase in the ordinary fares of British Railways London Lines other than the London Tilbury & Southend Line, for which powers were already in existence under the 1954 Scheme.

374. I would like to deal with the question of the discount applied in arriving at the discounted yield forecast, and for that purpose would you look at each of the appendices in turn. First of all, Appendix "A", dealing with London Lines of British Railways. I do not think we need deal with the ordinary fares except on the London Tilbury & Southend Lines, but what do you say about the discounts applied?—In the case of the Railways shown in Appendix "A"—which represent, in the main, the longer distances—the discount has been shown in the form of an outright loss of traffic, a small outright loss, and one could say it was a nominal discount.

375. I see 1 per cent. is the figure you have attributed to that?—It is approximately 1 per cent. in the case of London Tilbury & Southend ordinary full fares and in the day return fares a small nominal allowance.

376. This estimating of discounts is not a new exercise for you, I take it?—No; nor would I say it is a very scientific exercise. It is more in the nature of an exercise of judgment, based upon experience; and in expressing the discount we sometimes express it in the form of an outright loss of traffic, particularly with the railways, and on the road services we often express it in the form of a drop back from the fare which has been increased to the next lower fare. That is to say, we assume that a certain number of passengers, rather than pay the higher fare, will shorten their journeys and pay the next lower fare. But I could not claim any very high degree of accuracy in compiling these discounts as between those passengers who will in fact shorten their journeys and those passengers who may in fact cease to ride altogether. The over-all magnitude of the discounts, we think, are about right; but it is a matter of arithmetic to express them in the form of drop back or in the form of outright loss, and on these exhibits we have expressed the discount in the form which we think is, on the whole, the most likely. That is to say, where the fares have been increased

by 1d. on the road services we have expressed it in the form of a drop back.

377. If you turn over to Appendix "B", showing, among other things, in column 6, the discounts applied to the case of the ordinary day return fares of London Transport railways, one sees an example of both of those methods, does one not?—Yes. In the main the discounts have been expressed in the form of an outright loss, but at the 7d. to 8d. fare we have put in an element of drop back. For those comparatively short journeys on the railways we feel the passenger will go forward to a station, even though it involves a little longer walk, rather than go backwards to a station; and so we have put in an element of drop back. We could equally well have expressed the same result in the yield by increasing very slightly the percentage of traffic assumed to be lost.

378. Then Appendix "C" shows the same material, does it, as regards the road services of London Transport Executive other than the Green Line Coaches?—Yes. In this case the whole of the discount has been expressed in the form of a drop back to the next lower fare. But again we could have expressed it in the form of an outright loss of traffic.

379. Appendix "D" is coaches?—Yes. Again we have allowed 0.1 per cent. loss of passengers. As I say, that is really a nominal discount.

380. And Appendix "E", early morning travel on British Railway London Lines?—There a small discount, a little bit bigger than "nominal", has been allowed. We know that there are a number of alternative forms of transport with which we compete. There is the bicycle, the power assisted bicycle, the motor-cycle and the private car, and early morning traffic is open to this competition just like any other traffic.

381. Do those remarks hold good of the next sheet, Appendix "F", which is the same fares for British Railways London Lines?—The same applies there.

382. Now Appendix "G", which is London Transport road services early morning travel?—Yes. We have applied the same 2 per cent. loss of passengers.

383. Then we come to season tickets rates, Appendix "H" which is divided into British Railways London Lines and London Transport Executive Railways. What do you say about the discounts there?—A small nominal discount has been put in for the season ticket rates. We do not feel that the loss of traffic from these increases will be very great. In the main they represent the longer distance travel and, in relation to the increase in ordinary fares, as I have said, the increase of 2s. 6d. a month is relatively favourable to the passengers. So we put in a small discount for the season tickets.

384. Now would you mind turning back to BTC 27 in order to catch up with one small matter, and that is that shown in item 4, described as "Miscellaneous charges". What does that comprise?—The miscellaneous charges represent, in the main, forces travel on British Railways, London Lines, and on London Transport Railways. It includes private hire on London Transport road services and certain educational facilities on London Transport.

385. You have not shown in Table BTC 27 any increase in yield for those items of miscellaneous charge. What do you say about that?—No, we have not shown any increase, partly for the reason that an increase would be very difficult to calculate. It is true that in the case of Forces' travel the rates paid are related to the ordinary fares, so that there will be some small additional yield from the Forces' travel. There is likely to be some small additional yield from the educational facilities, although again it is exceedingly difficult to calculate, or even to estimate it, without an immense amount of work. But in any case the kind of net yield from our miscellaneous charges will be small in comparison with the figures that we are dealing with, and I do not think it will be enough to turn the decimal point from the £3.8m., say, to £3.9m. or even from the £2.6m. to £2.7m. in the case of London Transport.

386. That covers the whole of the yield. In the light of the anticipated traffic to which you spoke yesterday, and bearing in mind your requirement to find a yield of £3.8m., do you consider that the proposals made which are now before the Tribunal fairly spread the burden?—Yes. In designing these proposals, we were anxious to spread the increase as lightly as we could.



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Mr. DAVID McKENNA

[Continued]

387. And in particular in regard to ordinary single fares, have you borne in mind the increases made on the last occasion?—We did, yes. On the last occasion the 3d. fare at 2 miles went up, and we have left untouched the traffic at the first 3 miles. The 4d. fare went up to 6d. also, and we have put nothing on those early fares; but we put the increases, in the case of ordinary fares never more than 1d., on the higher fares, many of which escaped increase on the last occasion.

(Mr. Fay): That concludes the evidence in chief, Sir.

(President): What about Table 30? Are you going to ask any questions about that?

(Mr. Harold Willis): So far as Table 30 is concerned, Mr. Winchester referred to it briefly in his evidence yesterday. No one, so far as I am aware, is objecting to the proposals to increase the early mornings and the season tickets or the excess luggage charges, and unless any particular point arises, I do not think it necessary to trouble the Tribunal with a witness on that.

(President): Very well.

388. (Mr. Sewell): Before you go, Mr. McKenna, can you tell me something more about the declining trend in traffic of which you spoke yesterday? Is it a geographical trend? Is it on one part of your system, or at a certain hour of the day, or is it on the lower fares or the higher fares? Have you taken out any particulars at all to try to pinpoint it?—No, Sir. I think it is in the main in the inner part of our area. It shows up on

the central road services of London Transport and it does not show up in the country area of London Transport, I think for the reason that the population in the country area is expanding. Nor does it show up, of course, in the London Lines, which one could expect would follow roughly the same sort of trend as our country area, because it is dealing with a greater population. It is in the main, I think, in the fully built-up area of London, and I would say it was outside the peaks rather than at the peak times themselves; although we have had some evidence of a very slight decline in the peak traffic moving into the centre of London. That is very small.

389. It is not calculate for a traveller in long distances or short distances?—It is the short and medium-distance traveller rather than the long traveller. For example, it does not show up on the coaches.

390. You do not think it is caused, for example, by the minimum fare, people walking rather than taking a 2d. ticket?—I do not think it has been caused unduly by the minimum fare. There has been some decline in traffic at the minimum fare and at the next highest fare, the 4d.; but I think one reason for it, certainly towards the end of 1954, was the irregularity of our central road services. That was due to shortage of staff. We were not running our full services and that sort of traffic is exceedingly sensitive to the regularity of services.

391. Of course, a person would rather walk than wait?—They would rather walk than wait, yes.

(The witness withdrew.)

(President): Subject to hearing Mr. Knott that is all we can do this morning, Mr. Willis.

(Mr. Knott): Before making my submission that my Association has a *locus standi* before this Court, may I gather the precise nature of Mr. Willis's objection? Is he objecting to my Association, or is he objecting that I be heard? Or is he objecting to my right to cross-examine, or to both?

(President): I think Mr. Willis's objection is that you as an individual cannot possibly have a *locus standi* because the only things that have a *locus standi* are bodies under the Act. The objection to your Association is that it does not come within, and we have held that it does not come within, the definition of the sort of bodies which have a *locus standi* before us.

(Mr. Knott): Am I valid in raising that the British Transport Commission is estopped from raising the validity of my *locus standi* here, because yesterday they were effectively treating me as though I had a right?

(President): You may take it if the British Transport Commission were estopped (and they could not be estopped by an act of courtesy of that sort), we should hold under the appropriate provisions, that whatever the Transport Commission said, thought or have done, you have not a *locus standi*.

(Mr. Knott): When was the ruling made that political associations had no *locus standi*, and in respect of which Association was it made?

(President): At the first Public Inquiry, over which I did not preside. It was made in respect of several associations, I do not know how many; it was more than one.

(Mr. Harold Willis): Three. That Inquiry was presided over by Mr. Bruce Thomas.

(President): There were two or three different party associations who were told that they had no *locus standi*.

(Mr. Knott): I wish to say that it is in the interest of the public that political associations should have a *locus standi*, and further, if the Tribunal has power to reverse the decision of its predecessors in this case it should do so.

(President): We shall not do so.

(Mr. Knott): Even before I make my submission?

(President): I thought you had made your submission. It was considered at the time, Mr. Knott, and it was indeed argued before and decided by an exceedingly experienced President. I should have to think a long time before I acted contrary to that. Are you arguing for the sake of developing some kind of controversial point?

(Mr. Knott): I am.

(President): If you are allowed, as a matter of courtesy, to make a submission, had you not better make it?

(Mr. Knott): I cannot see how I can possibly object if I have no *locus standi* in this Court.

(President): You cannot, but in courtesy we have power to hear anyone whom we think may assist us. At the moment I am proceeding on the footing that you may be able to assist us.

(Mr. Knott): Is it then in order for me, through an act of courtesy on your part, to cross-examine Mr. McKenna?

(President): We do not allow that.

(Mr. Knott): It is merely as an act of courtesy that I may make a submission to this Court as to how this application would affect people in my area?

(President): Certainly, and assume any facts for that purpose, if you like; we shall know later whether they are right or wrong.

(Mr. Knott): The reasons for which my Association are objecting to this increase in fares we can roughly say are threefold.

(President): I am just going to turn to your Objection.

(Mr. Knott): The first reason is that we consider that this increase is inflationary, and anything contributing to inflation is contrary to the public interest. It is not only inflationary in that fares will be put up, but as I already heard this morning on these highly-organised matters of drop-back and discounted yields, what in fact will occur is that more money will be taken out for less service given.

I happen to work in the City, and if you want to see the traffic congestion there on any morning it really is getting into gargantuan proportions. What is going to happen if the fares go up again is that there is going to be greater incentive to the private motorist to motor to work, and there is going to be greater congestion. I believe that this present congestion is already costing the London Transport Executive a fantastic amount of money, and if this congestion increases (as it probably will if the fares are put up) it is going to cost the London Transport Executive even more money.

As my Association feels that anything contributing to inflation is contrary to the public interest, it wishes that these facts be brought to your notice.

Our second reason for objecting is that merely granting an increase in fares will not serve to remove the real causes of the constant deficiencies of the London Transport Services. Back in 1952 fares generally were raised over the country by order of one of your preceding Tribunals. That

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[Continued]

order was subsequently reversed by the Government and, a fact that did occur in 1952, there was effectively a reduction of fares, particularly in the single fares. One result of such a reduction of fares was that very many more people enjoyed the facilities. We submit that the only way to get the increase of revenue necessary for the British Transport Commission to balance its books is to have more people using the bus services and more people using the train services, not less.

I was disappointed to hear this morning Mr. McKenna completely dismissing the idea of cheap fares. He said they only gave a small element of profit. If they gave any element of profit whatsoever then I think the idea should be developed. The fact is that people do not go from the outlying parts into London, they will not go unless for a day, when they have to pay what is equivalent to a three-monthly return fare in order to get there and back. We feel there is a complete lack of any constructive plan produced by the British Transport Commission in order both to serve the needs of the London public and to increase their revenue.

May I give a small example? If you were to go to the stop at the "Red Lion", Barnes, on almost any morning, particularly in winter, you would see a queue of between 75 and 150. Quite frequently Green Line coaches arrive with a good many seats vacant. The reason why people cannot use the Green Line facilities to bring them over the river to Hammersmith or to Kensington is the fare involved. If a certain discretion were given to the conductors of those Green Line coaches when they had completed such a distance that they could not obtain any more of their usual traffic, to take up some of these passengers, not only would London Transport derive more revenue but a greater service would be given to the public.

The one thing we do notice in these fare increases is that the lower fares are not being increased. We strongly suspect that that is where the money is really being lost. It must cost something to issue the ticket; it must cost something to collect the ticket. We feel it is up to the London Transport Executive to give us at least some idea of the reasons why they are against, or have never submitted to this Tribunal, any proposal for some sort of standard fare. That is a system at present operated in Paris Metro, and it seems to be operating very well.

(President): May I ask you, Mr. Knott, if you or your Association have read the Chambers Committee Report?

(Mr. Knott): No, Sir.

(President): When you have finished addressing us I recommend your Association to buy it. That Committee spent twelve months or more on looking into these various suggestions. That Committee was what might be regarded as a body of considerable authority. They had representations from everybody who wanted to make representations to them. I am certain your Association will find their Report very valuable. May I add that the topic of whether the lower distance fares should be increased has been ventilated before us at each of the three preceding Inquiries, and that we know a good deal about it.

(Mr. Knott): Has evidence been given as to how much it costs to print the tickets, issue the tickets and collect the tickets per se?

(President): No, Mr. Knott.

(Mr. Knott): That is where we feel a great deal of money is spent. We feel that production of such statistics would be very valuable.

(Adjourned till Monday morning at 10.30.)

(President): You may take it that the question as to whether there would be a financial advantage in having a standard fare as in New York and Paris was very fully considered by the Chambers Committee.

(Mr. Knott): Finally, our reason for wishing to make some submission on this subject is that this increase is grossly unfair to the travelling public of London. Most of us already spend a fair proportion of our income on travelling, particularly those of us who work in the City. The facilities are not very good at the moment. I was pleased in one way to see that London Transport Executive made an effective profit last week of £100,000. But one wants to see the conditions under which people are travelling at the moment; it is almost past belief. The congestion involved is great and there is a complete lack of facilities. We feel that such an increase is not warranted. In particular, most people working in the City are what is known as fixed income classes, and such an increase in their fares causes hardship, particularly when they are not like the average wage-earner who would put in for an automatic increase in wages on such a basis. We feel that these fares should not be increased.

Let me show one example. It costs me 10d. to travel from Hammersmith to Mansion House and 10d. to travel back. It would be an advantage to me as a member of the travelling public and to the Commission if on five days a week I travelled from Hammersmith to Mansion House and I were to take a season ticket, but no system of five-day season tickets exists. If I were to take a weekly season I would be losing money. Consequently I join the queue every morning and every evening. At Mansion House there is no machine for issuing tickets, and the whole system at the moment is weighted against the travelling public in London. Since a good many of them are on fixed incomes, since this increase will amount to deterioration in their real income, my Association feels it is time something was done about it.

I thank you, Sir, and your colleagues for the courtesy you have extended to me in allowing me to address you.

(President): I seriously recommend for your study the Chambers Committee Report.

(Mr. Knott): Thank you, Sir.

(President): I am told, and we are very grateful to the County Council, that they can arrange for us to have accommodation at the County Hall on the 21st and 22nd of June. Therefore we shall sit here on Monday, and on Tuesday and Wednesday we shall sit at County Hall.

The other thing I am informed is that the exhibits contained in this buff or yellow coloured document will not on this occasion be printed by the Stationery Office. If anyone wishes to obtain copies which they have not obtained free of charge, they can obtain them from the Transport Commission itself. The price I am told will be 10s. 0d., which is about the same price as a day's transcript of our proceedings.

I suppose there is no possibility of us seeing any tables before Monday?

(Mr. Geoffrey Lawrence): I do not know what we shall be preparing, but I shall bear in mind what you say. If it is possible I will see that copies are sent to you and to my learned friend.

(President): I appreciate, knowing how you are likely to spend your week-end, that it may be difficult. It will only be after you have spent your week end that documents will come into existence, I presume.